



DEPARTMENT OF THE ARMY
WASHINGTON, D.C. 20310

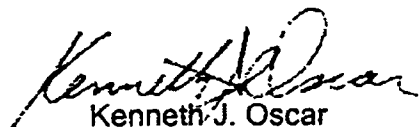
11 APR 2001

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Recapitalization Management Policy

The enclosed Recapitalization Management Policy establishes roles and responsibilities for the Recapitalization Program. Program Executive Officers, Directors for Systems Acquisition, Program Managers, and Weapons Systems Managers are responsible for executing the Recapitalization Program on their designated systems. This includes planning, programming, budgeting, and execution of all Recapitalization funding (Research, Development, Acquisition, and Operations and Maintenance - Army, including Sustainment System Technical Support, Second Destination Transportation, Supply Depot Operations, Care of Supplies in Storage, and Post Production Software Support) for the Recapitalization of their specific systems. Headquarters, Department of the Army provides management oversight and is the final approval authority for Recapitalization system selection and Recapitalization program baselines. U.S. Army Materiel Command provides overall synchronization and execution management of the Recapitalization program.

The Recapitalization Program is one of the Army's top priorities. We must work together and establish close partnerships at all levels to ensure success. Our Warfighters depend on this effort to maintain system readiness, sustainability, and combat overmatch as we transform the Army. Please give this effort your full support.


Kenneth J. Oscar

Acting Army Acquisition Executive



JOHN M. KEANE
General, U.S. Army
Vice Chief of Staff, Army

Enclosure

DISTRIBUTION:

SECRETARY OF THE ARMY, ATTN: SASA
CHIEF OF STAFF, ARMY, ATTN: DACS-ZA
UNDER SECRETARY OF THE ARMY, ATTN: SAUS
ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS), ATTN: SACW
ASSISTANT SECRETARY OF THE ARMY (FINANCIAL MANAGEMENT
AND COMPTROLLER), ATTN: SAFM-ZA
ASSISTANT SECRETARY OF THE ARMY (INSTALLATIONS AND
ENVIRONMENT), ATTN: SAIE
ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE
AFFAIRS), ATTN: SAMR
ASSISTANT SECRETARY OF THE ARMY (ACQUISITION, LOGISTICS AND
TECHNOLOGY), ATTN: SAAL-ZB, SAAL-ZT, SAAL-ZD, SAAL-ZL,
SAAL-ZP, SAAL-ZR, SAAL-RP, SAAL-ZS, SAAL-ZCA, SAAL-ZCS
GENERAL COUNSEL, ATTN: SAGC
ADMINISTRATIVE ASSISTANT TO THE SECRETARY OF THE ARMY, ATTN:
SAAA
DIRECTOR OF THE ARMY STAFF, ATTN: DACS-ZD
DIRECTOR OF INFORMATION SYSTEMS FOR COMMAND, CONTROL,
COMMUNICATIONS AND COMPUTERS, ATTN: SAIS-ZA, SAIS-ZB,
SAIS-IAA
THE INSPECTOR GENERAL, ATTN: SAIG-ZA
THE AUDITOR GENERAL, ATTN: SAAG-ZA
THE DEPUTY UNDER SECRETARY OF THE ARMY (INTERNATIONAL
AFFAIRS), ATTN: SAUS-IA-ZA
THE DEPUTY UNDER SECRETARY OF THE ARMY (OPERATIONS
RESEARCH), ATTN: SAUS-OR
CHIEF OF LEGISLATIVE LIAISON, ATTN: SALL
CHIEF OF PUBLIC AFFAIRS, ATTN: SAPA-ZA
DIRECTOR, SMALL AND DISADVANTAGED BUSINESS UTILIZATION,
ATTN: SADBU
DEPUTY CHIEF OF STAFF FOR INTELLIGENCE, ATTN: DAMI-ZA
DEPUTY CHIEF OF STAFF FOR LOGISTICS, ATTN: DALO-ZA
DEPUTY CHIEF OF STAFF FOR OPERATIONS AND PLANS, ATTN: DAMO-ZA
DEPUTY CHIEF OF STAFF FOR PERSONNEL, ATTN: DAPE-ZA
ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT,
ATTN: DAIM-ZA
CHIEF OF ENGINEERS, ATTN: DAEN-ZA
THE SURGEON GENERAL, ATTN: DASG-ZA
CHIEF, NATIONAL GUARD BUREAU, ATTN: NGB-ZA CHIEF
ARMY RESERVE, ATTN: DAAR-ZA
THE JUDGE ADVOCATE GENERAL, ATTN: DAJA-ZA

DISTRIBUTION: (CONT)

CHIEF OF CHAPLAINS, A3-FN: DACH-ZA

DIRECTOR, PROGRAM ANALYSIS AND EVALUATION, ATTN: DACS-DPZ-A

**DIRECTOR, U.S. ARMY COST AND ECONOMIC ANALYSIS CENTER, ATTN:
SAFM-CA-ZA**

COMMANDERS

U.S. ARMY MATERIEL COMMAND, ATTN: AMCCG

U.S. ARMY FORCES COMMAND, ATTN: AFCG

U.S. ARMY TRAINING AND DOCTRINE COMMAND, ATTN: ATCG

U.S. ARMY EUROPE AND SEVENTH ARMY, ANN: AEACC

**U.S. ARMY SPECIAL OPERATIONS COMMAND (AIRBORNE),
ATTN: AOCG**

**U.S. ARMY SPACE AND MISSILE DEFENSE COMMAND,
ATTN: CSSD-ZB**

U.S. ARMY MEDICAL COMMAND, ATTN: MCCG

U.S. ARMY MILITARY DISTRICT OF WASHINGTON, ATTN: ANCG

U.S. ARMY, PACIFIC, ATTN: APCG

U.S. ARMY INTELLIGENCE AND SECURITY COMMAND, ATTN: IACG

**U.S. ARMY MILITARY TRAFFIC MANAGEMENT COMMAND,
ATTN: MTCG**

U.S. ARMY SOUTH, ATTN: SOCG

EIGHTH U.S. ARMY, ATTN: EACG

U.S. ARMY CORPS OF ENGINEERS, ATTN: CECG

U.S. ARMY TEST AND EVALUATION COMMAND, ATTN: CSTE

**U.S. ARMY SIMULATION, TRAINING AND INSTRUMENTATION COMMAND,
ATTN: AMSTI-CG**

U.S. ARMY AVIATION AND MISSILE COMMAND, ATTN: AMSAM-CG

**U.S. ARMY COMMUNICATIONS- ELECTRONICS COMMAND, ATTN:
AMSEL-CG**

U.S. ARMY INDUSTRIAL OPERATIONS COMMAND, ATTN: AMSIO-CG

**U.S. ARMY SOLDIER AND BIOLOGICAL CHEMICAL COMMAND, ATTN:
AMSSB-CG**

**U.S. ARMY TANK-AUTOMOTIVE AND ARMAMENTS COMMAND, ATTN:
AMSTA-CG**

PROGRAM EXECUTIVE OFFICERS

AIR AND MISSILE DEFENSE, ATTN: SFAE-AMD

AVIATION, ATTN: SFAE-AV

**COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS, ATTN: SFAE-
C3S GROUND COMBAT AND SUPPORT SYSTEMS, ATTN: SFAE-C3S**

DISTRIBUTION: (CONT)

INFORMATION SYSTEMS, ATTN: NGB-RCS-RA

**INTELLIGENCE, ELECTRONIC WARFARE AND SENSORS, ATTN:
SFAE-IEW&S**

**STANDARD ARMY MANAGEMENT INFORMATION SYSTEMS, ATTN:
SFAE-PS TACTICAL MISSILES, ATTN: SFAE-MSL**

PROGRAM MANAGERS

CHEMICAL DEMILITARIZATION, ATTN: SFAE-CD-Z

**JOINT PROGRAM OFFICE FOR BIOLOGICAL DEFENSE, ATTN:
SFAE-JPO-BD**



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
ACQUISITION LOGISTICS AND TECHNOLOGY
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

10 APR 2001

REPLY TO
ATTENTION OF

SAAL-ZS

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Recapitalization Management Policy

The enclosed document sets forth policy for management of the Army's Recapitalization effort. Acquisition policy will supersede Recapitalization policy stated herein.

A handwritten signature in black ink, appearing to read "Kenneth J. Oscar", is centered below the subject line.

Kenneth J. Oscar
Acting Assistant Secretary of the Army
(Acquisition, Logistics and Technology)

Enclosure

DISTRIBUTION:

SECRETARY OF THE ARMY, ATTN: SASA
CHIEF OF STAFF, ARMY, ATTN: DACS-ZA
UNDER SECRETARY OF THE ARMY, ATTN: SAUS
ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS), ATTN:
SACW
ASSISTANT SECRETARY OF THE ARMY (FINANCIAL MANAGEMENT
AND COMPTROLLER), ATTN: SAFM-ZA
ASSISTANT SECRETARY OF THE ARMY (INSTALLATIONS AND
ENVIRONMENT), ATTN: SAIE
ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND
RESERVE AFFAIRS), ATTN: SAMR
ASSISTANT SECRETARY OF THE ARMY (ACQUISITION, LOGISTICS
AND TECHNOLOGY), ATTN: SAAL-ZB, SAAL-ZT, SAAL-ZD,
SAAL-ZL, SAAL-ZP, SAAL-ZR, SAAL-RP, SAAL-ZS, SAAL-ZCA,
SAAL-ZCS

DISTRIBUTION: (CONT)

ADMINISTRATIVE ASSISTANT TO THE SECRETARY OF THE ARMY,
ATTN: SAAA

DIRECTOR OF THE ARMY STAFF, ATTN: DACS-ZD

DIRECTOR OF INFORMATION SYSTEMS FOR COMMAND, CONTROL,
COMMUNICATIONS AND COMPUTERS, ATTN: SAIS-ZA, SAIS-ZB,
SAIS-IAA

THE INSPECTOR GENERAL, ATTN: SAIG-ZA

THE AUDITOR GENERAL, ATTN: SAAG-ZA

THE DEPUTY UNDER SECRETARY OF THE ARMY (INTERNATIONAL
AFFAIRS), ATTN: SAUS-IA-ZA

THE DEPUTY UNDER SECRETARY OF THE ARMY (OPERATIONS
RESEARCH), ATTN: SAUS-OR

CHIEF OF LEGISLATIVE LIAISON, ATTN: SALL

CHIEF OF PUBLIC AFFAIRS, ATTN: SAPA-ZA

DIRECTOR, SMALL AND DISADVANTAGED BUSINESS UTILIZATION,
ATTN: SADBU

DEPUTY CHIEF OF STAFF FOR INTELLIGENCE, ATTN: DAMI-ZA

DEPUTY CHIEF OF STAFF FOR LOGISTICS, ATTN: DALO-ZA

DEPUTY CHIEF OF STAFF FOR OPERATIONS AND PLANS, ATTN:
DAMO-ZA

DEPUTY CHIEF OF STAFF FOR PERSONNEL, ATTN: DAPE-ZA

ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT,
ATTN: DAIM-ZA

CHIEF OF ENGINEERS, ATTN: DAEN-ZA

THE SURGEON GENERAL, ATTN: DASG-ZA

CHIEF, NATIONAL GUARD BUREAU, ATTN: NGB-ZA CHIEF

ARMY RESERVE, ATTN: DAAR-ZA

THE JUDGE ADVOCATE GENERAL, ATTN: DAJA-ZA

CHIEF OF CHAPLAINS, A3-FN: DACH-ZA

DIRECTOR, PROGRAM ANALYSIS AND EVALUATION. ATTN: DACS-
DPZ-A

DIRECTOR, U.S. ARMY COST AND ECONOMIC ANALYSIS CENTER,
ATTN: SAFM-CA-ZA

COMMANDERS

U.S. ARMY MATERIEL COMMAND, ATTN: AMCCG

U.S. ARMY FORCES COMMAND, ATTN: AFCG

U.S. ARMY TRAINING AND DOCTRINE COMMAND, ATTN: ATCG

U.S. ARMY EUROPE AND SEVENTH ARMY, ANN: AEACC

DISTRIBUTION: (CONT)

U.S. ARMY SPECIAL OPERATIONS COMMAND (AIRBORNE),

ATTN: AOCC

U.S. ARMY SPACE AND MISSILE DEFENSE COMMAND,

ATTN: CSSD-ZB

U.S. ARMY MEDICAL COMMAND, ATTN: MCCG

U.S. ARMY MILITARY DISTRICT OF WASHINGTON, ATTN: ANCG

U.S. ARMY, PACIFIC, ATTN: APCG

U.S. ARMY INTELLIGENCE AND SECURITY COMMAND, ATTN: IACG

U.S. ARMY MILITARY TRAFFIC MANAGEMENT COMMAND,

ATTN: MTCG

U.S. ARMY SOUTH, ATTN: SOCG

EIGHTH U.S. ARMY, ATTN: EACG

U.S. ARMY CORPS OF ENGINEERS, ATTN: CECG

U.S. ARMY TEST AND EVALUATION COMMAND, ATTN: CSTE

U.S. ARMY SIMULATION, TRAINING AND INSTRUMENTATION

COMMAND, ATTN: AMSTI-CG

U.S. ARMY AVIATION AND MISSILE COMMAND, ATTN: AMSAM-CG

U.S. ARMY COMMUNICATIONS- ELECTRONICS COMMAND, ATTN:

AMSEL-CG

U.S. ARMY INDUSTRIAL OPERATIONS COMMAND, ATTN: AMSIO-CG

U.S. ARMY SOLDIER AND BIOLOGICAL CHEMICAL COMMAND, ATTN:

AMSSB-CG

U.S. ARMY TANK-AUTOMOTIVE AND ARMAMENTS COMMAND,

ATTN: AMSTA-CG

PROGRAM EXECUTIVE OFFICERS

AIR AND MISSILE DEFENSE, ATTN: SFAE-AMD

AVIATION, ATTN: SFAE-AV

COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS, ATTN:

SFAE-C3S GROUND COMBAT AND SUPPORT SYSTEMS, ATTN:

SFAE-C3S INFORMATION SYSTEMS, ATTN: NGB-RCS-RA

INTELLIGENCE, ELECTRONIC WARFARE AND SENSORS, ATTN:

SFAE-IEW&S

STANDARD ARMY MANAGEMENT INFORMATION SYSTEMS, ATTN:

SFAE-PS TACTICAL MISSILES, ATTN: SFAE-MSL

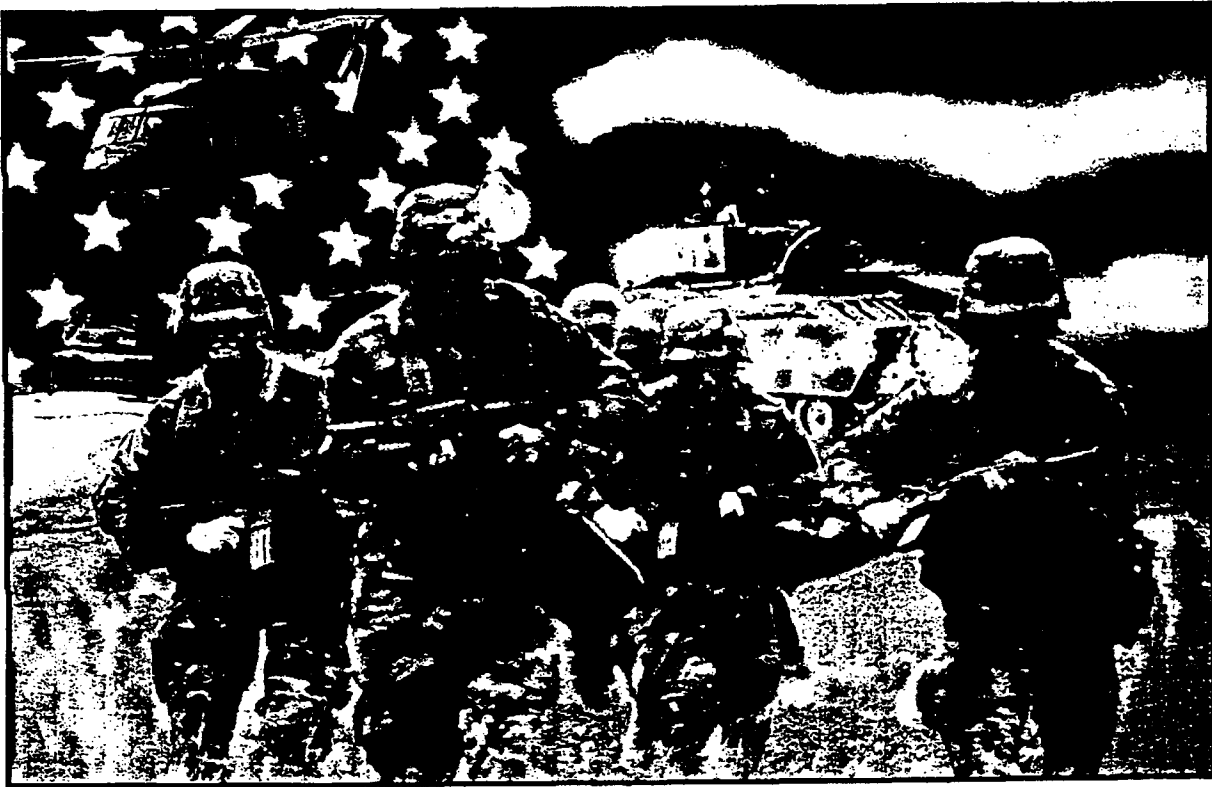
PROGRAM MANAGERS

CHEMICAL DEMILITARIZATION, ATTN: SFAE-CD-Z

JOINT PROGRAM OFFICE FOR BIOLOGICAL DEFENSE, ATTN:

SFAE-JPO-BD

Soldiers On Point for the Nation



Persuasive in Peace, Invincible in War

Army Recapitalization Management Policy

**“Rebuild and Upgrade the Legacy Force to
Ensure Operational Readiness”**

RECAPITALIZATION MANAGEMENT POLICY TABLE OF CONTENTS

SECTION I: INTRODUCTION

- I-1. Purpose, Goal and Objectives
- I-2. References
- I-3. Definitions and Acronyms

SECTION II: ROLES AND RESPONSIBILITIES

- II-1. Defense Acquisition Executive (DAE)
- II-2. Army Acquisition Executive (AAE)
- II-3. Vice Chief of Staff, U.S. Army (VCSA)
- II-4. Assistant Secretary of the Army (Acquisition, Logistics and Technology)
[ASA (ALT)]
- II-5. Assistant Secretary of the Army (Financial Management and Comptroller)
[ASA (FM&C)]
- II-6. General Counsel
- II-7. Director of Information Systems for Command, Control, Communications and Computers (DISC4).
- II-8. Office of the Chief of Legislative Liaison (OCLL)
- II-9. Deputy Chief of Staff for Logistics (DCSLOG), U.S. Army
- II-10. Deputy Chief of Staff for Operations (DCSOPS), U.S. Army
- II-11. Deputy Chief of Staff for Programs (DCSPRO), U.S. Army
- II-12. Chief, National Guard Bureau (NGB)
- II-13. Chief, Army Reserve (CAR)
- II-14. U.S. Army Materiel Command (AMC)
- II-15. Training and Doctrine Command (TRADOC)
- II-16. U.S. Army Cost and Economic Analysis Center (CEAC)
- II-17. Program Executive Officers (PEOs), Deputy for Systems Acquisition (DSAs)
- II-18. Program/Project/Product Managers (PMs), and Weapon System Managers (WSMs)

SECTION III: PHASES

- III-1. Program Definition
- III-2. Production/Fielding

SECTION I: INTRODUCTION

I-1. Purpose, Goal and Objectives

- A. Purpose:** Recapitalization is the key element in the modernization and sustainment of the Army's Legacy Force and an essential enabler of the Army's transformation to the Objective Force. As the Army transforms to the Objective Force, Recapitalization of selected currently fielded weapon systems, their major components and associated support items of equipment (ASIOE), is critical to maintaining operational readiness. Recapitalization is needed to slow the growth rate of operational and support (O&S) costs and to reduce associated O&S costs of aging weapon systems fleets. Recapitalization of selected weapon systems will enable the Army to maintain a combat overmatch capability and a technological advantage.
- B. Goal:** The goal is to ensure operational readiness, a near zero-time/zero-mile system, transform the Army into a force that is strategically responsive and dominant at every point on the spectrum of operations. The measure of success in managing fleet age with Recapitalization is to achieve and maintain average age of the fleet at or below one-half its expected service life.
- C. Objectives of the Recapitalization program are:**

 - 1. To extend service life of recapitalized systems.
 - 2. To reduce the rate of growth of O&S costs for recapitalized systems.
 - 3. To improve reliability, maintainability, safety, and efficiency of recapitalized systems and reduction of the logistics footprint.
 - 4. To enhance warfighting capabilities in selected recapitalized systems where needed.
- D. Objectives of the management policy are:**

 - 1. To assign oversight responsibility and to properly designate decision authority.
 - 2. To establish the evaluation, feedback, and monitoring system.
 - 3. To establish operational controls and clearly delineate constraints.
 - 4. Generate support for Recapitalization.

I-2. References

- A. U.S. Army Transformation Campaign Plan.
- B. AR 11-2, Army Programs Management Control.
- C. AR 11-18, Cost and Economic Analysis.
- D. AR 70-1, Army Acquisition Policy.
- E. AR 700-127, Integrated Logistic Support.
- F. AR 700-138, Army Logistics Readiness and Sustainability.
- G. AR 700-142, Materiel Release, Fielding, and Transfer.
- H. AR 750-1, U.S. Army Materiel Maintenance Policy and Retail Maintenance Operations.
- I. AR 750-10, Army Modification Program.
- J. DA PAM 70-3, Army Acquisition Procedures.
- K. DOD Financial Management Regulation 7000-14.
- L. DOD 5000.2-R, Mandatory Procedures for Major Defense Acquisition Programs (MDAP) and Major Automated Information System (MAIS) Acquisition Programs.
- M. Federal Acquisition Regulation (FAR).
- N. Department of the Army Memorandum dated March 20, 2000, "Recapitalization Policy".
- O. ASA (ALT) memorandum dated August 2, 2000, "Recapitalization Program Implementation Policy".
- P. ASA (ALT) memorandum dated February 15, 2001, "Integration of Army Recapitalization and Office of the Secretary of Defense (OSD) Pilot Programs".
- Q. ASA (ALT) Army Recapitalization Plan dated January 19, 2001.

I-3. Definitions and Acronyms

- A. Recapitalization is the rebuild and selected upgrade of currently fielded systems to ensure operational readiness and a zero time/zero mile system. The Army Recapitalization Strategy follows two paths: rebuild and selected upgrade.
1. Rebuild restores the system to a like-new (zero-time/zero-mile) condition in appearance, performance, and life expectancy. It inserts new technology where practical to improve reliability and maintainability. The result of a Recapitalization rebuild is a system with the same model and a new life.
 2. Selected Upgrade rebuilds the system and adds warfighting capability improvements that address capability shortcomings. The result of a Recapitalization selected upgrade is a system with a new model and a new life and improved warfighting capability.¹
- B. Modernization is the development and/or procurement of new systems with improved warfighting capabilities. The Army's Recapitalization Effort does not encompass Modernization.
- C. Overhaul is a maintenance process that restores equipment or components to a completely serviceable condition with a measurable expected life. Selected components applicable to recapitalized weapon systems will be repaired to the National Work Requirements Standard (NWRS). The NWRS will most likely be higher than the current standard, but not in all cases. The NWRS will be dictated by the requirement deemed necessary to achieve the near zero time/zero mile condition.
- D. Recapitalization Standard is near zero time/zero mile. Near zero time standard means that selected components within the system will be replaced with new items or items overhauled to the National Work Requirements Standard (NWRS), which is overhaul with a measurable (expected) life. Obsolete parts will be replaced and selected technology insertions will be made. For rebuild, near zero-time/zero-mile standard includes technology insertion and results in same model-new life. For selected upgrade near zero-time/zero-mile includes technology insertion and warfighting capability upgrades and results in a new model-new life.
- E. Recapitalization Configuration Baseline is the hardware and software configuration that represents the system, as it is approved for production and fielding.

¹ All selected upgrade programs, which provide increased warfighting capabilities, will have approved operational requirements documentation (ORD) to support the upgraded capability. Systems designated for selected upgrade may also be required to follow the criteria set forth in DoD 5000.2 and AR 70-1. In that case all program documentation will be in accordance with the DoD 5000 series, AR 70-1, and DA PAM 70-3. Depot/industry partnership plans will also be developed for selected upgrades.

- F. Recapitalization Program Baseline includes the Recapitalization Configuration Baseline and the following categories of Operations and Maintenance, Army (OMA) and Research, Development and Acquisition (RDA) funding (including but not limited to): Sustainment System Technical Support (SSTS), Care of Supplies in Storage (COSIS), Supply Depot Operations (SDO), Second Destination Transportation (SDT), Post Production Software Support (PPSS), Procurement, Army (PA) and Research, Development, Test and Evaluation (RDTE).
- G. Decision Review (DR) is a review of recapitalized programs Co-Chaired by Program Executive Officers (PEOs), Deputies for Systems Acquisition (DSAs), and the Army Materiel Command (AMC) for those programs not governed by DoD 5000.2 and AR 70-1. The DR Co-Chairs will prepare a DR Memorandum after each review. The first review will occur prior to entering the program definition phase. The second review will occur prior to entering the production and fielding phase. These Decision Reviews will:
 - 1. Provide authority to proceed into each phase,
 - 2. Document the decision and request for waiver (if required),
 - 3. Approve the required program documentation.
- H. Breach occurs when either the schedule objective value plus six months is exceeded, or the cost objective value plus ten percent is exceeded, or the quantity of systems to be Recapitalized changes for any given year.
- I. Acronyms: An acronym list is included at the end of this document.

SECTION II: ROLES AND RESPONSIBILITIES

II-1. Defense Acquisition Executive (DAE)

Serves as the Milestone Decision Authority (MDA) for Acquisition Category (ACAT) ID systems designated for Recapitalization.

II-2. Army Acquisition Executive (AAE)*

- A. Provides oversight over acquisition aspects of the Army's Recapitalization Effort.
- B. Serves as the MDA for ACAT IC-IV systems designated for Recapitalization (Selected Upgrade). MDA may be delegated.
- C. Co-chairs, with the VCSA, quarterly reviews of the overall Recapitalization Effort.
- D. Approves with the VCSA, all candidate systems for Recapitalization.

- E. Approves with the VCSA, all configuration waivers for Recapitalization systems that do not meet the Army Recapitalization Standard.
- F. Approves with VCSA, all Recapitalization baselines, baseline updates and breach re-baselines.

****Acquisition Policy in Research, Development and Acquisition (RDA) Programs will supersede Recapitalization Policy based upon guidance from the AAE.***

II-3. Vice Chief of Staff, U.S. Army (VCSA)

- A. Provides oversight for approval of requirements validation, prioritization, and fielding of Army Recapitalization Programs.
- B. Co-chairs with the AAE, quarterly reviews of the overall Recapitalization Effort.
- C. Approves with the AAE, all candidate systems for Recapitalization.
- D. Approves with the AAE, all configuration waivers for Recapitalization systems that do not meet the Army Recapitalization Standard.
- E. Approves with AAE, all Recapitalization baselines, baseline updates and breach re-baselines.

II-4. Assistant Secretary of the Army (Acquisition, Logistics and Technology) ASA (ALT)

- A. Develops Recapitalization policy, establishes a Recapitalization review process and provides continuous oversight.
- B. Establishes an Army-level work group to continually update Recapitalization policy and requirements review. This HQDA Recapitalization Work Group will include, at a minimum, membership from the Army Secretariat, the Army Staff, AMC, the Training and Doctrine Command (TRADOC), the National Guard Bureau (NGB) and the Office, Chief of Army Reserve (OCAR).
- C. Reviews this policy annually in conjunction with the HQDA Recapitalization Work Group. Coordinates and publishes changes as required or consider for incorporation into existing or new Department of the Army publications.
- D. Performs, in coordination with HQDA and AMC, program assessments for the AAE/VCSA using the data collection metrics to measure system compliance with the Recapitalization Standard. Performs overall assessments to evaluate the benefits (i.e. reduced O&S costs, increased system life) of Recapitalization as defined by each system's tailored Performance Plan and Agreement (PPA).

- E. Establishes a GO/SES level primary point of contact responsible for policy development for the Army Recapitalization program.

II-5. Assistant Secretary of the Army (Financial Management and Comptroller) ASA (FM&C)

- A. Validates Recapitalization effort appropriation categories.
- B. Identifies and earmarks all Recapitalization appropriation funding and ensures the allocation of all (including OMA and RDA) to the appropriate weapon systems for financial management control and execution.
- C. Coordinates the approved Recapitalization funding and justification with functional proponents to accurately document the Army's budget submissions to Office of the Secretary of Defense (OSD)/Office of Management and Budget (OMB) and Congress.

II-6. General Counsel (OGC)

Provides legal advice and reviews policy relating to the Recapitalization Effort.

II-7. Director of Information Systems for Command, Control, Communications and Computers (DISC4)

Advises the AAE on Recapitalization issues relating to Information Technology and PPSS.

II-8. Office of the Chief of Legislative Liaison (OCLL)

Responsible for insuring the communications to members of congress and their staffs are integrated and coordinated with other congressional activities and communications.

II-9. Deputy Chief of Staff for Logistics (DCSLOG), U.S. Army

- A. Ensures systems designated for Recapitalization are logistically supportable and sustainable.
- B. Ensures logistical support requirements (to include SDO, SDT, SSTs, PPSS, COSIS, depot maintenance costs and Modification Work Order (MWO)) costs are planned, programmed and budgeted for systems designated for Recapitalization.
- C. Responsible for submitting OMA funded requirements for the appropriate weapon system program.
- D. Incorporates Recapitalization into the requirements for the National Maintenance program.
- E. Provides oversight over sustainment aspects of the Army's Recapitalization efforts.

II-10. Deputy Chief of Staff for Operations (DCSOPS), U.S. Army

- A. Validates, in coordination with the Deputy Chief of Staff for Programs (DCSPRO), the operational requirements for a system to be upgraded.
- B. Determines the operational requirements and configurations within the total Army Recapitalization Effort.
- C. Establishes priorities within the total Army Recapitalization Effort.
- D. Establishes the induction and fielding schedules.

II-11. Deputy Chief of Staff for Programs (DCSPRO), U.S. Army

- A. Validates, in coordination with the DCSOPS, the operational requirements for the systems to be upgraded.
- B. Responsible for the programming and budgeting of RDA and OMA funds to support the recapitalization program.
- C. Establishes the induction and fielding policies and approves the induction and fielding schedules for Recapitalized systems.
- D. Host for the serial number tracking and weapons system coding of recapitalized weapon systems for the Army Recapitalization Tracking Information System (ARTIS).
- E. Responsible for building and tracking Recapitalization Programs by Management Decision Packages (MDEPs).
- F. Conducts independent evaluation of cost-benefit and trade-off analysis.

II-12. Chief, National Guard Bureau (NGB)

- A. Advises DCSOPS and DCSPRO on Army National Guard operational and programming issues associated with the Recapitalization Effort.
- B. Advises DCSLOG on Army National Guard logistical issues related to the Recapitalization Effort.
- C. Participates as a member of the HQDA Recapitalization Work Group.

II-13. Chief, Army Reserve (CAR)

- A. Advises DCSOPS and DCSPRO on Army Reserve operational and programming issues associated with the Recapitalization Effort.

- B. Advises DCSLOG on Army Reserve logistical issues that are related to the Recapitalization Effort.
- C. Participates as a member of the HQDA Recapitalization Work Group.

II-14. U.S Army Materiel Command (AMC)

- A. Exercises synchronization and overall execution management for the Army's Recapitalization Program.
- B. Develops for the AAE/VCSA approval:
 - 1. Recapitalization Program Baseline procedures, formats and guidance.
 - 2. Modifies Integrated Program Summary (IPS) procedures, formats and guidance.
- C. Establishes a GO/SES level point of contact responsible for execution management and reporting on the Army Recapitalization program.
- D. Co-Chairs with PEOs/DSAs all Recapitalization Decision Reviews. May be delegated to the Major Subordinate Commands (MSC).
- E. In conjunction with HQDA, TRADOC and PEOs/DSAs, participates in the Recapitalization nomination process during the AAE/VCSA co-chaired quarterly reviews.
- F. Conducts Recapitalization program baselines breach analysis and provides recommended solutions to the AAE/VCSA.
- G. Serves as the OMA reprogramming authority for Recapitalization funding to a limit of \$5 million. Reprograms OMA funding among Recapitalization systems for Recapitalization work only.
- H. Establishes and executes a Sample Data Collection program, as well as a monitoring system to track and report O&S cost reduction effectiveness and successes of the Recapitalization effort.
- I. In coordination with ASA (ALT) and HQDA, performs program assessments for the AAE/VCSA using the data collection metrics to measure system compliance with the Recapitalization Standard.
- J. Conducts a quarterly review of the overall Recapitalization effort for the AAE/VCSA.
- K. Signs the Recapitalization Program Baseline with the Program/Project/Product Manager (PM) and PEO/DSA. May be delegated to MSC. Obtains Department of the Army approval for Recapitalization Program Baselines and Integrated Program Summaries.

- L. Funds the PM with all allocated Recapitalization OMA funding in accordance with the HQDA approved Recapitalization Program Baseline.
- M. Certifies, in conjunction with PEOs/DSAs, that Recapitalization configurations meet Recapitalization standards prior to production/fielding or obtain AAE/VCSA waiver.
- N. Validate, in conjunction with CEAC the Cost Benefit Analysis.
- O. Validate, in conjunction with CEAC, the cost Trade-Off Analysis prepared by the PMs.

II-15. Training and Doctrine Command (TRADOC)

- A. Validate in coordination with HQDA the warfighting need, ensuring they have approved operational requirement documents to support the proposed improvements to warfighting capabilities, and recommend prioritization of future Selected Upgrade candidate systems.
- B. Recommends prioritization of systems selected for rebuild only by utilizing such factors as cost, performance, and warfighting utility to the force.
- C. In conjunction with AMC and PEOs/DSAs, participates, as the user representative, in the Recapitalization nomination process during the AAE/VCSA co-chaired quarterly reviews.
- D. Ensures that all Doctrine, Training, Leader Development, Organization, Material and Soldier (DTLOMS) requirements are addressed and that sufficient funding is forecast for DTLOMS modifications when configuration and/or functional changes are made to a Recapitalization system.

II-16. U.S. Army Cost and Economic Analysis Center (CEAC)

- A. Validates, in conjunction with AMC and MSC cost activities, the Cost Benefit Analysis, after proposals have passed technical feasibility assessment reviews and undergone review and validation by AMC and their Major Subordinate Command cost activities.
- B. Validates, in conjunction with AMC and MSC cost activities, the cost Trade-Off Analysis prepared by the PM's.
- C. Validate cost data in the Recapitalization Program Baseline.

II-17. Program Executive Officers (PEOs), Deputies for Systems Acquisition (DSAs)

- A. Manages PM execution on all rebuild or selected upgrade of systems.
- B. Funds PM in accordance with the Recapitalization Program Baseline with all allocated Recapitalization funding (including OMA and RDA).

- C. Serves as RDA reprogramming authority.
- D. Signs Recapitalization Program Baseline with AMC/MSC and PM.
- E. Co-Chairs with AMC, Recapitalization Decision Review.
- F. Certifies, in conjunction with HQDA and AMC, that Recapitalization configuration meets the Recapitalization Baseline prior to production/fielding or obtains a AAE/VCSA waiver.
- G. In conjunction with HQDA, TRADOC and AMC, participates in the Recapitalization nomination process during the AAE/VCSA co-chaired quarterly reviews.

II-18. Program/Project/Product Managers (PMs), and Weapon Systems Managers (WSMs)¹

- A. Develops and signs the system Recapitalization Program Baseline.
- B. Develops all required system Recapitalization documentation (Section III).
- C. Executes all rebuilds or selected upgrades to systems in accordance with the Recapitalization Program Baseline and documentation.
- D. Manages the Recapitalization configurations.
- E. Executes in coordination with AMC a depot/industry partnership.
- F. Certifies, in conjunction with HQDA and AMC, that Recapitalization configuration meets the Recapitalization Baseline prior to production/fielding or obtains an AAE/VCSA waiver.
- G. Manages and executes all funds (OMA and RDA) in accordance with the Recapitalization Program Baseline.
- H. Ensures that all functions and actions required to support the system Recapitalization are planned, programmed and budgeted during the appropriate Program Objective Memorandum (POM) and budget processes.
- I. Ensures allowances for embedded diagnostics; prognostics, automated information technology and Training Aids, Devices, Simulators and Simulations (TADSS) are considered as baseline configurations are developed.

¹ Henceforth PM = PM + WSM

SECTION III: RECAPITALIZATION PHASES²

The two Recapitalization phases are program definition and program production/fielding.

III-1. PHASE I – Program Definition

A. The Decision Review Co-Chairs will approve entry into this phase and issue a Decision Memorandum. Copies of the Decision Memorandum will be forwarded to the AAE/VCSA. If the system will not meet the Recapitalization baseline, an approved waiver from AAE/VCSA must be obtained prior to executing a favorable decision to begin this phase. This does not supersede any requirement of DoD 5000 for upgrade systems to obtain appropriate approvals from the MDA. The Decision Review Memorandum will approve the following documentation:

1. Recapitalization Program Baseline
2. Integrated Program Summary, to include the Acquisition Plan and Acquisition Strategy
3. Cost Benefit Analysis
4. Performance Plan and Agreement
5. Affordability Assessment

B. The purposes of this phase are to baseline and validate the Recapitalization configuration.

C. During this phase, the PM will conduct system-engineering analysis, prototyping/piloting, establish the Recapitalization configuration baseline and update the cost benefit and trade-off analyses. The trade-off analyses shall compare incremental capability costs, versus cost to meet the Recapitalization standard, versus Inspect/Repair Only As Necessary (IROAN), overhaul, and new acquisition costs.

III-2. PHASE II – Production/Fielding

A. The Decision Review Co-Chairs will approve entry into this phase and issue a Decision Memorandum. Copies of the Decision Memorandum will be forwarded to the AAE/VCSA. No production or fielding of Recapitalized system is authorized until *approval of the phase. If the system does not meet the Recapitalization Baseline, an approved waiver must be obtained from AAE/VCSA prior to executing a favorable decision to begin this phase.* This does not supersede any requirement of DoD 5000 for

² If a system is in the middle of a recapitalization effort it should continue on the current path for 120 days at which time it will meet all requirements for that decision review.

upgrade systems to obtain appropriate approvals from the MDA. The Decision Review Memorandum will approve the following documentation:

1. Recapitalization Program Baseline (Update)
 2. Integrated Program Summary, to include the Acquisition Plan and Acquisition Strategy (Update)
 3. Cost Benefit Analysis (Update)
 4. Trade-Off Analysis
 5. Depot/Industry Partnership Agreement
 6. Data Collection Plan
 7. Recapitalization Configuration Baseline
 8. Performance Plan and Agreement (Update)
 9. Affordability assessment
- B. The purpose of this phase is to authorize induction into production/fielding for systems designated for rebuild and/or selected upgrade. No configuration changes that diminish the Recapitalization configuration standard are authorized without AAЕ/VCSA approval.

ACRONYM LIST

AAE	Army Acquisition Executive
ACAT	Acquisition Category
AMC	U.S. Army Materiel Command
ARTIS	Army Recapitalization Tracking Information System
ASIOE	Associated Support Items of Equipment
ASA (ALT)	Assistant Secretary of the Army (Acquisition, Logistics & Technology)
ASA (FM&C)	Assistant Secretary of the Army (Financial Management & Comptroller)
CEAC	Cost and Economic Analysis Center
COSIS	Care of Supplies in Storage
DAE	Defense Acquisition Executive
DCSLOG	Deputy Chief of Staff for Logistics
DCSOPS	Deputy Chief of Staff for Operations
DCSPRO	Deputy Chief of Staff for Programs
DISC4	Director of Information Systems for Command, Control, Communications and Computers
DR	Decision Review
DSA	Deputy for Systems Acquisition
DTLOMS	Doctrine, Training, Leader Development, Organization, Materiel and Soldiers
HQDA	Headquarters, Department of the Army
IPS	Integrated Program Summary
IROAN	Inspect/Repair Only As Necessary
MDA	Milestone Decision Authority
MSC	Major Subordinate Command
MWO	Modification Work Order
NGB	National Guard Bureau
O&S	Operation & Support
OCLL	Office of the Congressional Legislative Liaison
OCAR	Office, Chief of Army Reserve
OGC	Office of the General Counsel
OMA	Operations & Maintenance, Army
PA	Procurement, Army
PEO	Program Executive Office(r)
PM	Program/Project/Product Manager
POM	Program Objective Memorandum
PPA	Performance Plan and Agreement

PPBES	Planning, Programming, Budgeting and Execution System
PPSS	Post Production Software Support
RDA	Research, Development and Acquisition
RDTE	Research, Development, Test and Evaluation
SDO	Supply Depot Operations
SDT	Second Destination Transportation
SSTS	Sustainment System Technical Support
TADSS	Training Aids, Devices, Simulators and Simulations
TRADOC	Training and Doctrine Command
VCSA	Vice Chief of Staff, Army
WSM	Weapon Systems Manager